

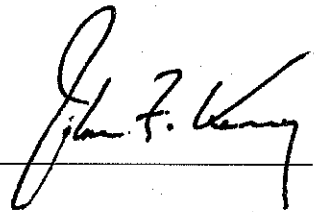
**Additional views of Senators Kerry, Rockefeller, Schumer, Stabenow, and
Menendez on the High Cost Insurance Excise Tax**

The America's Healthy Future Act of 2009 includes a provision which provides an excise tax on high cost insurance. We agree with the view of many economists that there needs to be restraint on health care spending. The high cost insurance excise tax will help bend the cost curve, but it needs to strike the right balance so that in future years it will not affect the health care plans of hard working American families.

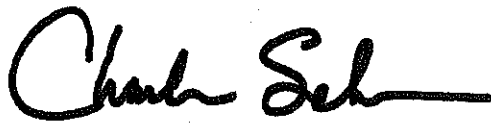
A 40 percent excise tax is imposed on amounts above a threshold of \$8,000 for individual plans and \$21,000 for family plans. During the course of Finance consideration, changes were made to the provision.

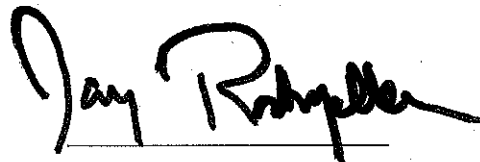
We commend Chairman Baucus for supporting changes to the provision. The changes substantially improve the distribution of the proposal. The threshold for the excise tax will be indexed to the Consumer Price Index plus one percentage point. In addition, the threshold is increased for retirees over age 55 and for plans covering high risk professionals by \$1,850 for individual plans and \$5,000 for individual plans.

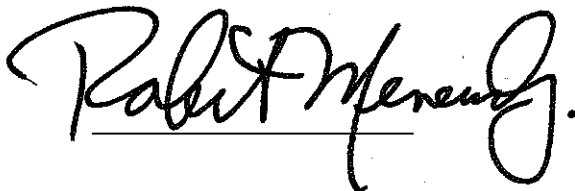
However, we remain concerned the thresholds are too low and will impact plans that are not overly generous and that in 2019 far too many plans will be impacted by the excise tax. We plan to continue to work with Chairman Baucus on this issue to ensure that provision bends the cost curve, but not at the expense of middle-income Americans.


John F. Kerry


Debbie Stabenow


Chuck Schumer


Jay Rockefeller


Robert Menendez